

HSBC SFH (France) Investor Report

Collection Period End:

30/06/2011

Date of Report:

20/07/2011

Summary

Cover Pool Overview Data	
Total Outstanding Current Balance:	3 761 763 792
Number of Loans	30 765
Number of Borrowers	27 371
Average Loan Balance	122 274
Weighted Average Seasoning of Loan parts (months)	51.12
Weighted Average Remaining Term of Loan Parts (months)	166.81
Percentage of variable mortgages	3.33%
Weighted Average Current LTV	68.9%
Weighted Average Current Indexed LTV	58.9%
Loan Originator	Total Loan Balance
HBFR	3 761 763 792

Covered Bonds Overview Data	
Total Covered Bonds Outstanding Balance:	1 924 970 273
Weight Average Maturity	5.72

ACT Results	
Asset Cover Ratio	1.69
Asset Cover Test Result	PASS

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1.a Unindexed LTV Ranges Distribution		
Unindexed LTV Range	Total Loan Balance	Number of Loans
0 - ≤40%	549 547 266	8 204
>40% - ≤50%	356 238 512	3 078
>50% - ≤60%	439 220 822	3 453
>60% - ≤70%	474 925 263	3 570
>70% - ≤80%	527 220 284	3 675
>80% - ≤85%	273 586 767	1 802
>85% - ≤90%	291 165 440	1 881
>90% - ≤95%	303 394 357	1 893
>95% - ≤100%	290 566 824	1 743
>100% - ≤105%	160 481 176	947
>105%	95 417 081	519
Total	3 761 763 792	30 765

1.b Indexed LTV Ranges Distribution		
Indexed LTV Range	Total Loan Balance	Number of Loans
0 - ≤40%	945 830 850	11 934
>40% - ≤50%	461 017 005	3 527
>50% - ≤60%	498 347 168	3 490
>60% - ≤70%	517 674 515	3 398
>70% - ≤80%	513 664 794	3 266
>80% - ≤85%	233 719 745	1 455
>85% - ≤90%	204 343 941	1 290
>90% - ≤95%	198 449 959	1 236
>95% - ≤100%	188 715 817	1 169
>100% - ≤105%	-	0
>105%	-	0
Total	3 761 763 792	30 765

2. Current Arrears Ranges Distribution		
Number of months in arrears	Total Loan Balance	Number of Loans
0	3 761 763 792	30 765
>1 - ≤2		
>2 - ≤3		
>3 - ≤4		
>4 - ≤5		
>5 - ≤6		
>6		
Total	3 761 763 792	30 765

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3. Seasoning

Seasoning in months	Total Loan Balance	By Unindexed LTV ranges										
		0 - ≤40%	>40% - ≤50%	>50% - ≤60%	>60% - ≤70%	>70% - ≤80%	>80% - ≤85%	>85% - ≤90%	>90% - ≤95%	>95% - ≤100%	>100% - ≤105%	>105%
< 12	377 866 566	52 563 991	35 648 430	44 936 977	45 328 491	52 651 282	35 083 331	28 324 136	27 490 265	34 588 064	14 498 869	6 752 729
≥12 - <24	455 611 608	44 633 391	31 419 546	36 768 467	41 516 938	54 341 910	26 554 481	31 677 086	34 586 345	41 873 704	55 212 266	57 027 475
≥24 - <36	212 773 183	34 250 208	20 425 324	22 250 800	21 926 803	26 476 892	15 514 220	13 660 288	16 390 908	20 161 054	13 406 083	8 310 602
≥36 - <60	1 108 070 632	123 063 279	89 995 545	113 734 155	126 656 916	148 091 651	82 687 653	100 389 365	121 196 861	103 582 727	73 894 258	24 778 222
≥60	1 607 441 804	278 312 975	175 084 972	222 390 005	234 684 406	238 802 524	116 189 744	113 507 130	108 531 451	96 233 537	11 673 658	12 031 401
Total	3 761 763 792	532 823 845	352 573 817	440 080 405	470 113 555	520 364 258	276 029 430	287 558 004	308 195 829	296 439 085	168 685 135	108 900 429

4. Loan Purpose

Loan Purpose	Total Loan Balance	By Unindexed LTV ranges										
		0 - ≤40%	>40% - ≤50%	>50% - ≤60%	>60% - ≤70%	>70% - ≤80%	>80% - ≤85%	>85% - ≤90%	>90% - ≤95%	>95% - ≤100%	>100% - ≤105%	>105%
Purchase	3 388 344 990	496 165 382	329 463 901	406 531 869	422 936 933	469 417 570	242 196 386	250 145 191	266 670 037	261 566 851	147 911 821	95 339 048
RE-MORTGAGE	203 304 048	11 326 997	9 439 753	15 138 380	22 663 106	31 726 698	22 955 068	22 674 476	28 471 622	15 983 504	13 191 891	9 732 552
EQUITY RELEASE	-	-	-	-	-	-	-	-	-	-	-	-
Construction (Surface Increase)	109 293 897	14 942 895	7 083 993	9 377 600	14 715 399	14 294 158	7 863 899	10 125 502	10 074 271	11 904 978	5 753 704	3 157 497
Construction (New Building)	60 820 857	10 388 571	6 586 169	9 032 556	9 798 116	4 925 832	3 014 077	4 612 835	2 979 900	6 983 751	1 827 718	671 331
Other/No data	-	-	-	-	-	-	-	-	-	-	-	-
Total	3 761 763 792	532 823 845	352 573 817	440 080 405	470 113 555	520 364 258	276 029 430	287 558 004	308 195 829	296 439 085	168 685 135	108 900 429

5. Occupancy type

Occupancy type	Total Loan Balance	By Unindexed LTV ranges										
		0 - ≤40%	>40% - ≤50%	>50% - ≤60%	>60% - ≤70%	>70% - ≤80%	>80% - ≤85%	>85% - ≤90%	>90% - ≤95%	>95% - ≤100%	>100% - ≤105%	>105%
Owner-occupied	2 732 779 479	416 127 093	267 981 131	334 835 604	340 906 928	372 329 446	197 656 455	206 280 605	215 031 689	201 284 075	111 910 532	68 435 920
Buy-to let	712 200 808	62 988 189	50 492 222	67 338 810	82 029 491	97 894 330	57 464 972	60 318 861	73 758 208	77 598 445	46 838 285	35 478 995
Vacation / second home	316 783 505	53 708 562	34 100 464	37 905 991	47 177 136	50 140 483	20 908 003	20 958 539	19 405 932	17 556 565	9 936 317	4 985 513
Other/No data	-	-	-	-	-	-	-	-	-	-	-	-
Total	3 761 763 792	532 823 845	352 573 817	440 080 405	470 113 555	520 364 258	276 029 430	287 558 004	308 195 829	296 439 085	168 685 135	108 900 429

6. Borrower Employment type

Employment type	Total Loan Balance	By Unindexed LTV ranges										
		0 - ≤40%	>40% - ≤50%	>50% - ≤60%	>60% - ≤70%	>70% - ≤80%	>80% - ≤85%	>85% - ≤90%	>90% - ≤95%	>95% - ≤100%	>100% - ≤105%	>105%
Employed	2 503 698 412	330 739 605	237 087 186	297 160 416	312 267 422	345 697 834	184 379 518	190 119 306	212 414 486	200 232 162	118 035 305	75 565 172
Protected life-time employment	231 935 690	32 754 708	19 753 876	26 160 018	30 379 062	31 138 108	18 745 952	18 144 937	20 730 928	18 960 288	8 391 709	6 776 104
SELF-EMPLOYED	773 804 060	109 573 217	67 810 806	86 417 178	94 140 563	112 753 314	58 961 487	63 494 259	58 642 808	65 000 897	35 584 971	21 424 592
Unemployed	189 157 386	37 906 949	18 470 029	23 219 680	26 831 226	24 648 398	10 806 452	12 791 873	13 718 371	10 592 078	5 341 246	4 831 085
Other/No data	63 168 244	21 849 365	9 451 920	7 123 112	6 495 315	6 126 604	3 136 022	3 007 629	2 689 236	1 653 660	1 331 903	303 477
Total	3 761 763 792	532 823 845	352 573 817	440 080 405	470 113 555	520 364 258	276 029 430	287 558 004	308 195 829	296 439 085	168 685 135	108 900 429

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7. Geographical distribution												
Region	Total Loan Balance	By Unindexed LTV ranges										
		0 - ≤40%	>40% - ≤50%	>50% - ≤60%	>60% - ≤70%	>70% - ≤80%	>80% - ≤85%	>85% - ≤90%	>90% - ≤95%	>95% - ≤100%	>100% - ≤105%	>105%
Alsace	39 934 302	4 482 965	3 211 544	3 023 543	5 045 159	6 639 421	4 197 241	4 256 406	2 566 350	4 381 673	1 947 838	182 160
Aquitaine	180 451 073	23 001 989	15 675 857	19 753 811	22 832 712	25 442 569	14 981 147	14 160 518	13 991 506	17 143 536	9 117 615	4 349 813
Auvergne	17 870 747	1 902 714	1 016 430	1 677 018	2 478 874	2 357 863	910 018	1 513 175	2 314 420	2 237 539	966 707	495 988
Basse-Normandie	39 888 324	4 813 815	2 796 290	4 092 414	6 265 490	6 068 839	3 216 178	5 182 213	3 396 836	2 378 089	1 648 041	30 119
Bourgogne	29 158 436	2 201 906	1 824 162	3 017 449	3 377 657	5 892 635	2 315 420	2 695 903	3 077 652	2 494 377	2 149 932	111 343
Bretagne	64 729 189	7 358 508	4 942 774	9 612 942	8 785 231	9 860 869	5 978 971	4 575 147	5 884 920	5 187 438	1 943 489	598 900
Centre	60 483 634	6 736 854	5 628 390	5 597 877	6 236 211	8 436 105	5 616 796	5 494 897	5 209 153	6 180 685	4 453 796	892 870
Champagne-Ardenne	11 524 229	1 226 991	853 203	845 434	1 194 504	2 152 485	948 563	1 152 937	1 285 111	608 484	975 693	280 824
Corse	10 504 870	1 621 171	618 591	945 599	1 340 292	1 450 300	254 060	526 883	1 234 074	406 445	530 736	1 576 720
Départements d'Outre-Mer	-	-	-	-	-	-	-	-	-	-	-	-
Franche-Comté	13 529 519	1 603 000	1 156 253	1 076 904	2 260 366	1 962 280	1 315 098	335 937	1 155 706	1 968 661	695 315	-
Haute-Normandie	103 443 803	8 406 458	6 373 117	10 760 010	12 441 212	15 332 434	8 745 975	8 096 622	10 628 681	14 499 209	6 470 337	1 689 748
Île-de-France	1 764 493 844	281 898 083	176 846 225	212 503 028	222 097 941	235 474 277	117 628 147	124 885 184	131 417 216	126 792 691	69 479 419	65 471 633
Languedoc-Roussillon	54 348 655	6 745 016	4 538 921	4 634 234	6 018 982	9 875 160	6 046 227	3 936 079	5 095 926	3 593 570	2 752 256	1 112 283
Limousin	10 982 523	1 207 740	1 083 797	1 078 441	1 477 508	1 692 252	1 086 819	1 555 366	1 161 180	505 041	60 376	74 003
Lorraine	48 795 566	4 019 888	2 334 065	4 681 733	5 384 197	8 553 676	4 833 677	5 005 872	6 237 817	5 591 517	1 768 518	384 607
Midi-Pyrénées	70 717 353	9 757 518	6 315 706	7 170 223	9 889 118	8 310 367	3 926 690	7 174 601	10 000 111	5 076 699	2 938 401	157 918
Nord-Pas-de-Calais	230 998 170	26 480 998	17 644 219	23 505 531	28 107 092	30 506 545	18 037 855	18 971 760	21 492 648	19 949 616	17 163 264	9 138 643
Pays-de-la-Loire	88 485 410	11 089 072	9 134 758	11 089 247	13 574 844	11 923 320	7 883 664	7 442 074	6 671 260	4 312 471	3 320 992	2 043 708
Picardie	22 449 447	3 014 113	1 419 618	1 184 068	1 569 109	2 179 191	1 870 399	1 556 647	3 823 298	3 517 689	1 712 090	603 224
Poitou-Charentes	81 116 618	10 291 042	6 310 287	9 513 683	9 315 603	11 130 898	5 565 020	6 149 762	7 040 564	8 520 305	5 728 440	1 551 012
Provence-Alpes-Côte d'Azur	499 322 453	75 058 636	45 172 953	55 835 039	62 719 029	69 809 947	36 295 289	39 895 671	46 384 250	39 402 086	21 644 077	7 105 475
Rhône-Alpes	318 535 627	39 905 369	37 676 656	48 482 175	37 702 422	45 312 825	24 376 176	22 994 350	18 127 150	21 691 263	11 217 804	11 049 437
Territoires d'Outre-Mer	-	-	-	-	-	-	-	-	-	-	-	-
No data	-	-	-	-	-	-	-	-	-	-	-	-
Total	3 761 763 792	532 823 845	352 573 817	440 080 405	470 113 555	520 364 258	276 029 430	287 558 004	308 195 829	296 439 085	168 685 135	108 900 429

ASSET COVER TEST

Date of Asset Cover test:

20/07/2011

$$R = \frac{\text{Adjusted Aggregate Asset Amount (AAAA)}}{\text{Aggregate Covered Bond Outstanding Principal Amount}} \geq 1$$

Adjusted Aggregate Asset Amount (AAAA) = A + B + C + D - (Y + Z)

R	Asset Cover test Ratio	1.69
	Adjusted Aggregate Asset Amount (AAAA)	3 261 604 631.36
	Aggregate Covered Bond Outstanding Principal Amount	1 924 970 272.80
	Asset Cover Test Result	PASS

A	=min(A1 ; A2)	3 272 734 499.00
A1	Adjusted Home Loan Outstanding Principal Amount	3 661 583 680.81
A2	= a * b	3 272 734 499.00
	Unadjusted Home Loan Outstanding Principal Amount (a)	3 761 763 791.95
	Asset Percentage (b)	87.0%

B	Cash Collateral Account	-
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C	Aggregate Substitution Asset Amount (ASAA)	-
	ASAA level limit	20%
	ASAA level is acceptable	TRUE

D	Permitted Investments	43 963 497.83
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Y	Payments under Issuer Hedging Agreement	-
	Equal to:	

i) Zero before Issuer hedging Agreement is entered into by Issuer subject to, and in accordance with, the Hedging Strategy

ii) Otherwise, an amount equal to payments due under the Issuer hedging Agreements (plus interest thereon) within the period of α plus 2 months, where alpha means the period between 2 interest payment dates (1st day of such period included and last day of

Z	WAM * Covered Bond Outstanding Principal Amount * 0.50%	55 093 365
	WAM (Weighted Average Maturity)	5.72
	Negative Carry Adjustment	0.50%

Name of Series	Outstanding Principal Amount	Scheduled Maturity Date	Remaining Maturity
Serie n°1 ISINFR0010849174 Devise : EUR	1 500 000 000.00	20/01/2017	5.5096 Years
Serie n°2 ISINCH0111297393 Devise : CHF	200 000 000.00	07/09/2015	4.137 Years
Serie n°3 ISINCH0111297443 Devise : CHF	200 000 000.00	07/09/2018	7.1397 Years
Serie n°4 ISINCH0120743346 Devise : CHF	200 000 000.00	23/04/2019	7.7644 Years

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